

**ORIGINAL**

**BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.**

DEPT. OF TRANSPORTATION  
003 FEB - 9 11 1945

77-105

Joint Application of )

**UNITED AIR LINES, INC.** )

**and** )

**AIR NEW ZEALAND LIMITED** )

under 49 U.S.C. §§ 41208 and 41309 for approval )  
of and antitrust immunity for alliance agreements )

Docket OST 99-6680 - 5

**MOTION FOR LEAVE TO FILE AND  
ANSWER OF AIR PACIFIC LIMITED**

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Dated: February 8, 2000

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Air Pacific Limited (“Air Pacific”), pursuant to Rule 17 of the DOT Rules of Practice (14 C.F.R. § 302.17), respectfully requests that the Department accept this late filing on the ground that Air Pacific required additional time for review and consultation in light of the inclement weather. Air Pacific further requests that the Department consider the issues raised in the following Answer to the Joint Application of United Air Lines, Inc. (“UA”) and Air New Zealand Limited (ANZ) for Approval of and Antitrust Immunity for Alliance Agreements.

Air Pacific conditionally opposes approval of UA and ANZ’s application. The expansion of the United/Air New Zealand relationship and the grant of antitrust immunity to the relationship will strengthen UA/ANZ alliance’s market power in the South Pacific. ANZ has established a dominant position in the Pacific Islands. The protection of antitrust immunity and the enhanced alliance will provide UA/ANZ with the resources to keep other carriers from competing effectively with it on its dominant routes in the Pacific Islands unless they too obtain antitrust immunity should they wish to compete to those Pacific Islands.

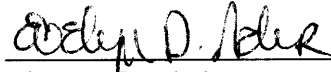
In their joint application, UA/ANZ seem to be trying to portray the Air Pacific, Qantas, American, British Airways relationship as similar to the relationship proposed by UA/ANZ in their application, which it is not. First of all, Air Pacific and its codeshare partners do not have antitrust immunity. Also, contrary to UA/ANZ's claim, Air Pacific is not managed by Qantas. Air Pacific makes its own marketing and operations decisions. Finally, Air Pacific is not a member of the oneworld alliance. Its dealings with Qantas, American and British Airways are on a purely commercial basis.

UA/ANZ also seems to suggest that it is Air Pacific that is the dominant carrier in the Pacific Islands, which it is not. Air Pacific pales in size compared to ANZ. ANZ operates 470 scheduled flights a day versus Air Pacific's sixteen (16). ANZ's network gives UA a sizeable advantage over American Airlines, which codeshares with Air Pacific only on flights between Nadi and Honolulu/Los Angeles. That codeshare does not enjoy antitrust immunity.

UA/ANZ present themselves and the Ansett group of carriers as the underdog in the competition with the oneworld alliance in the South Pacific. In reality, UA/ANZ, the Ansett group of carriers and the rest of the Star Alliance, dominate, at least in respect to areas Air Pacific serves, or would hope to serve, in the Pacific Islands.

In a market already dominated by UA/ANZ, antitrust immunity will give UA/ANZ an added, and anticompetitive, market advantage over Air Pacific.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Evelyn D. Sahr", is written over a horizontal line.

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Evelyn D. Sahr

David F. Rifkind

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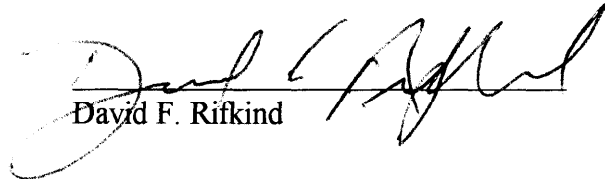
Attorneys for Air Pacific Limited

Dated: February 8, 2000

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**CERTIFICATE OF SERVICE**

I hereby certify that I have this date served a copy of the foregoing Motion for Leave to File And Answer Of Air Pacific Limited on all persons named on the attached Service List by causing a copy to be sent via first-class mail, postage prepaid.

  
David F. Rifkind

Dated: February 8, 2000

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